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IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH

UNITED STATES OF AMERICA,

Plaintiff,

vs.

HOWARD CODY HALLETT,

Defendant.

Case No.2:22mj698 JCB

SEALED FELONY COMPLAINT

Count I: 18 U.S.C. § 922(a)(1)(A),
Dealing Firearms Without a License.

Magistrate Judge Jared C. Bennett

Before the Honorable Jared C. Bennett, United States Magistrate Judge for the
District of Utah, appeared the undersigned, who on oath deposes and says:

COUNT I

18 U.S.C. § 922(a)(1)(A)
(Dealing in Firearms Without a License)

Beginning on a January 24, 2022 and continuing through September 21, 2022, in
the District of Utah,

HOWARD CODY HALLETT,

defendant herein, not being a licensed dealer of firearms within the meaning of Chapter 44, Title 18, United States Code, did willfully engage in the business of dealing in firearms, all in violation of 18 U.S.C. §§ 922(a)(1)(A), 923(a), and 924(a)(1)(D).

AFFIDAVIT IN SUPPORT OF COMPLAINT AND ARREST WARRANT

Complainant, Special Agent Jonathan Lee, being duly sworn, hereby states the following:

1. I am a Special Agent (SA) with the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) and have been so employed since March of 2018. I am a graduate of the Criminal Investigator Training Program and ATF Special Agent Basic Training program held at the Federal Law Enforcement Training Center in Glynco, Georgia. I have received specialized training in the enforcement of federal firearm and explosive laws. My duties and responsibilities include participating in the investigation and prosecution of persons who violate federal firearm laws and related federal criminal laws. As an ATF SA, I have participated in the investigation of persons who have violated federal laws. The majority of these investigations involved firearms and/or narcotics-related violations.

2. Prior to working for the ATF, I was employed as a law enforcement officer for the Lakewood Police Department in Lakewood, Colorado, from March 2005 through February 2018, serving as a patrol officer, persons-related crimes detective, and patrol supervisor. As a law enforcement officer with the Lakewood Police Department, I conducted physical surveillance, interviewed sources of information and defendants, served and reviewed telephone court orders, served search warrants and arrest warrants,

investigated violations of the Colorado Revised Statutes to include firearms and narcotics violations. Further, I have testified in judicial proceedings in both state and federal courts involving prosecutions relating to violations of state and federal firearms laws.

3. The statements in this affidavit do not contain all known information but rather only those facts believed necessary to establish probable cause for this Complaint. I am familiar with the facts and circumstances set forth herein as a result of a review of official reports and records, conversations with other law enforcement officers, and my own training, experience, and investigative efforts, as more fully described below.

BACKGROUND INFORMATION

4. As an ATF Special Agent, I have participated in investigations involving the unlawful transfer of firearms, including investigations where individuals are engaging in the business of dealing firearms without a license in violation of 18 U.S.C. § 922(a)(1)(A). I know that individuals involved in this type of activity are often lawfully permitted to acquire and possess firearms. These investigations are frequently initiated when multiple firearms seized by law enforcement in connection with criminal activity are traced back an individual purchaser.

5. When an individual purchases firearm(s) from a federally licensed firearm dealer (FFL), the individual is required to execute an ATF Form 4473. The form is the official record that documents the transfer of the purchased firearm(s) from the FFL to the individual. When a purchaser fills out the form, the purchaser must provide personal information and answer a series of question that are designed to determine (1) the identity of the purchaser, (2) if the purchaser is buying the firearm(s) for himself/herself and (3) if

the purchaser is prohibited from obtaining and/or possessing the firearm(s). If an individual indicates they are not purchasing the firearm for himself/herself, the FFL is directed to not process the transaction.¹ Likewise, if an individual indicates their history includes a disqualifying event (i.e. a felony conviction, dishonorable discharge, etc.), the FFL is directed to not process the transaction.

6. In Utah, once an individual executes an ATF Form 4473, the information is submitted for verification to the Utah Bureau of Criminal Identification. If this entity confirms that the person is not restricted from obtaining and/or possessing the firearm(s), the FFL will finalize the transfer.

7. Often in cases involving the unlawful trafficking of firearms, after an individual obtains firearm(s) from an FFL, the individual will utilize secondary markets such as www.utahgunexchange.com, to re-sell the firearm(s). Transactions processed through these secondary markets are considered private sales and do not require verification of the purchaser's identity, the execution of an ATF Form 4473, or any type of background check to ensure the purchaser is not a restricted person.

8. I know, based on my training and experience, that individuals who are prohibited from lawfully acquiring or possessing firearms will engage in varying practices to obtain firearms. Often, these individuals will utilize secondary markets, such as those described above, to circumvent the ATF Form 4473 and accompanying background check and/or to prevent their identity being associated with the acquisition.

¹ There is a limited exception for a bona fide gift to a non-restricted third party. However, the individual selling the firearm must not receive any money, services, or items of value from the purchaser in exchange for the firearm.

9. As an additional technique, these individuals will frequently utilize “straw purchasers” to source firearms. Typically, a “straw purchase” involves an unrestricted individual who knowingly acquires firearms and/or ammunition for another. The receiving individual is frequently prohibited by law from possessing those items. “Straw purchasers” are often identified when there is a short time between the original purchase of the firearm and the recovery and/or use of the firearm in connection with criminal activity.² Frequent and repetitive purchases of firearms in a short time frame can also be indicative of “straw purchases” and/or dealing firearms without a license, as can multiple purchases from specific FFLs. Straw purchasers can often be prosecuted pursuant to 18 U.S.C. § 922(a)(6), False Statement During the Acquisition of Firearm(s), for providing a materially false statement as to whether they are the actual transferee/buyer of the firearm(s).

PROBABLE CAUSE

10. In August 2022, ATF learned that HOWARD CODY HALLETT had purchased a significant number of firearms. The investigation was triggered when a Taurus G3 9mm semi-automatic pistol that HALLETT purchased on July 1, 2022 was recovered by law enforcement in late July 2022. Test fired cartridge casings from the Taurus were submitted into the National Integrated Ballistic Information Network (NIBIN) Program, a system designed to link criminal incidents involving firearms. Preliminary analysis revealed the firearm was connected to two prior incidents: a fight in

² This period is referred to as the “time to crime” or “TTC”.

Midvale, Utah on July 3, 2022 where shots were fired and a second incident in Midvale, Utah on July 9, 2022 where a juvenile was shot in the leg.

11. A review of HALLETT's firearm purchases shows that between January 24, 2022 and September 21, 2022, HALLETT has purchased over eighty (80) firearms. This information was primarily drawn from Multiple Sale Reports (MSRs), which are generated whenever an individual purchases two or more handguns from an FFL either at the same time or within five (5) consecutive business days of each other.³ It does not include purchases of individual firearms from FFLs or purchases arranged via secondary markets.

12. An analysis of HALLETT's purchases showed the following information:

Purchase Date	Total # of Firearms Purchased	Type of Firearms Purchased	FFL
1/24/2022	6	(4) 9mm pistols, (1) .22 revolver, and (1) .22 pistol	Xtreme Pawn, West Jordan
1/28/2022	5	(5) .22 caliber revolvers and (1) .40 caliber pistol	Hy and Mike's, Midvale
2/11/2022	5	(4) 9mm pistols and (1) .380 pistol	Hy and Mike's, Midvale
2/19/2022	6	(3) 9mm pistols and (3) .380 pistols	Hy and Mike's, Midvale
6/11/2022	3	(2) .223 rifles and (1) 9mm pistol	Xtreme Pawn, West Jordan
6/27/2022	2	(2) 9mm pistols	Xtreme Pawn, West Jordan
7/1/2022	3	(3) 9mm pistols	Statewide Guns, Woods Cross
7/5/2022	4	(4) 12-gauge shotguns	Xtreme Pawn, West Jordan

³ Some dates listed on the charts in paragraphs 12 and 13 are based on the date the Multiple Sale Report was generated. The ATF 4473 Forms have not yet been obtained for all transactions.

7/7/2022	4	(4) 9mm pistols	Hy and Mike's, Midvale
7/9/2022	2	(2) 9mm pistols	Pawn Solutions, West Jordan
7/11/2022	11	(10) 9mm pistols and (1) .38 revolver	Hy and Mike's, Midvale
7/26/2022	6	(2) 9mm pistols, (2) .22 pistols, and (2) .223 rifles	Xtreme Pawn, West Jordan
	6	(6) .22 revolvers	Hy and Mike's, Midvale
	3	(2) .22 revolvers, (1) 9mm pistol	
8/4/2022	7	(6) 9mm pistols and (1) .22 pistol	Xtreme Pawn, West Jordan
9/21/2022	10	(7) 9mm pistols, (2) .22 pistols, and (1) .40 pistol	Hy and Mike's, Midvale

13. Of these known purchases, HALLETT has repeatedly obtained firearms of a similar, if not identical, make and model. This information is significant because, based on my training and experience, I know it is a common practice for individuals who deal firearms without a license and/or engage in “straw purchases” to obtain multiple firearms of the same make, model, and caliber due to the high demand for such in secondary markets (commonly referred to by ATF as “weapons of choice”). The table below outlines makes and models of firearms HALLETT has purchased repeatedly, in bulk, or both.

MANUFACTURER	MODEL	CAL.	SERIAL #	DATE PURCHASED
Aselkon	RSI	12 gauge		7/5/2022
Bearman Industries	BBG9	9		8/4/2022
German Sports Guns	Firefly	.22		7/26/2022

HS Produkt	Hellcat	9		6/27/2022
				7/9/2022
North American Arms	NAA22	.22		1/28/2022
				7/26/2022
Phoenix Arms	HP22A	.22		8/4/2022
				9/21/2022
Ruger	LCP	.380		2/11/2022
				2/19/2022
SCCY	Unknown	9		7/11/2022
	CPX-2			8/4/2022
Smith & Wesson	SD9VE	9		7/5/2022
				7/7/2022
Taurus	G2C	9		1/24/2022
				7/7/2022
				7/11/2022
				9/21/2022
Taurus	G2S	9		7/26/2022

Taurus	G3	9		7/1/2022

14. In addition to the Taurus G3 9mm semi-automatic pistol recovered in late July 2022, four (4) other firearms purchased by HALLETT have been recovered by law enforcement with short time to crime periods. A Taurus GC3 9mm semi-automatic pistol purchased by HALLETT on July 7, 2022 was recovered on July 17, 2022 in connection with a robbery where a victim was shot in the head (10 day TTC). A German Sports Guns Firefly .22 caliber semi-automatic pistol purchased by HALLETT on July 11, 2022 was recovered during a freeway brandishing incident on September 10, 2022 (46 day TTC). A Taurus G3 9mm semi-automatic pistol purchased by HALLETT on July 1, 2022 was recovered in a homicide investigation on September 25, 2022 (86 day TTC). Finally, a Taurus G2C 9mm semi-automatic pistol purchased by HALLETT on July 11, 2022 was recovered on October 2, 2022 in connection with a threats case (83 day TTC).

15. A review of HALLETT's background revealed the following information. HALLETT does not possess, nor has he ever applied, for a federal firearms license. HALLETT does not have reported income to the Utah Department of Workforce Services since the third quarter of 2019, although a review of available online information suggests that HALLETT may be self-employed. HALLETT also has at least five (5) debt collection matters filed against him in the Utah Third District Court between April 2019 and April 2021.

16. On September 27, 2022, ATF agents reviewed listings on www.utahgunexchange.com. Agents were able to locate seven (7) listings, posted

between August and September 2022. Each listing featured a firearm that HALLETT had previously purchased. The listings also included language indicating the seller was not an FFL and that the firearms were available without a background check. The listings included photographs of the firearms. That same day, an ATF agent acting in an undercover capacity (UC) contacted the phone number associated with the listings via text message. The UC made arrangements to purchase two (2) shotguns from the seller, who was later confirmed to be HALLETT.

17. On September 29, 2022, HALLETT asked the UC to meet at his place of work later that day. Prior to the transaction, agents observed HALLETT's vehicle in the parking lot of the business. When the UC arrived, HALLETT removed the shotguns from the trunk of the vehicle and sold them to the UC for \$560.00 in cash. The serial numbers confirm that HALLETT purchased both shotguns on July 5, 2022. During the transaction, HALLETT confirmed he was not a licensed firearm dealer. HALLETT also stated he has a friend who owns an FFL and who gives HALLETT deals.

18. On October 4, 2022, ATF agents and assisting law enforcement officers served search warrants at HALLETT's residence, place of business, and storage unit. Eleven (11) firearms were recovered from the storage unit, along with a firearm inventory list and receipts. One (1) additional firearm was recovered from HALLETT's apartment. Post-*Miranda*, HALLETT acknowledged he had purchased and re-sold several firearms since January 2022. HALLETT admitted he had taken at least one order from an individual named "Ernesto." HALLETT purchased the firearms and then transferred them to "Ernesto" the following day. HALLETT acknowledged when he did not intend

to keep the firearms he purchased and then transferred to “Ernesto.” HALLETT also admitted he had been having financial issues and that he typically made money from re-selling firearms and firearm accessories.

19. Based on the aforementioned facts, I hereby submit that there is probable cause to believe that HOWARD CODY HALLETT committed the offense of Dealing Firearms Without a License, a violation of 18 U.S.C. § 922(a)(1)(A). I swear the information contained in this affidavit is true and correct to the best of my knowledge, information, and belief.

DATED this 4th day of October, 2022.



SA JONATHAN LEE, Affiant
Bureau of Alcohol, Tobacco, Firearms,
and Explosives

SUBSCRIBED and SWORN before me this 4th day of October, 2022.



JARED C. BENNETT
Magistrate Judge, District of Utah

APPROVED AS TO FORM:

TRINA A. HIGGINS
United States Attorney



VICTORIA K. MCFARLAND

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